

COMPANY NO: 03659980

Nw Roberts
Chairman

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
COMPLEAT SOFTWARE LIMITED

(Adopted by a special resolution passed on 23rd March 2020)



ARTICLES OF ASSOCIATION

INDEX

ARTICLE		PAGE
1	INTRODUCTION.....	3
2	DEFINITIONS	3
3	SHARE CAPITAL	9
4	VOTES IN GENERAL MEETING	10
5	VARIATION OF RIGHTS	10
6	ALLOTMENT OF NEW SHARES OR OTHER SECURITIES: PRE-EMPTION.....	10
7	TRANSFERS OF SHARES - GENERAL	11
8	PERMITTED TRANSFERS	15
9	TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS....	17
10	VALUATION OF SHARES	22
11	COMPULSORY TRANSFERS - GENERAL.....	24
12	DRAG ALONG.....	26
13	CO-SALE RIGHT	28
14	GENERAL MEETINGS	30
15	PROXIES	30
16	DIRECTORS' BORROWING POWERS	31
17	ALTERNATE DIRECTORS	31
18	NUMBER OF DIRECTORS	33
19	DISQUALIFICATION OF DIRECTORS	34
20	PROCEEDINGS OF DIRECTORS	34
21	DIRECTORS' INTERESTS	35
22	NOTICES	40
23	INDEMNITIES AND INSURANCE.....	42
24	SECRETARY	44
25	LIEN	44
26	CALL NOTICES.....	46
27	FORFEITURE OF SHARES	48
28	SURRENDER OF SHARES	51

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
COMPLEAT SOFTWARE LIMITED
(COMPANY NO: 03659980)

(Adopted by a special resolution passed on 23rd March 2020)

1 INTRODUCTION

1.1 The model articles for private companies limited by shares contained or incorporated in schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the Date of Adoption (the "Model Articles") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.

1.2 In these articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

1.3 In these articles:

1.3.1 article headings are used for convenience only and shall not affect the construction or interpretation of these articles;

1.3.2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa; and

1.3.3 Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 42, 44, 51, 52 and 53 of the Model Articles shall not apply to the Company.

2 DEFINITIONS

2.1 In these articles the following words and expressions shall have the following meanings:

2.1.1 "**Act**" means the Companies Act 2006 (as amended from time to time);

- 2.1.2 **"Associate"** in relation to any person means:
- 2.1.2.1 any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);
- 2.1.2.2 any Member of the same Group;
- 2.1.2.3 any Member of the same Investment Fund;
- 2.1.3 **"Auditors"** means the auditors of the Company from time to time;
- 2.1.4 **"Bad Leaver"** means a Leaver who ceases to be an employee or consultant of the Company or any member of its Group prior to the first anniversary of the adoption of these Articles or ceases to be such an employee or consultant by reason of dismissal for gross misconduct or material breach of his consultancy agreement (as the case may be) or who ceases to be an employee or consultant and is employed or engaged (directly or indirectly) by a company that is in direct competition with the business of the Company;
- 2.1.5 **"Board"** means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these articles;
- 2.1.6 **"Business Day"** means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);
- 2.1.7 **"Civil Partner"** means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;
- 2.1.8 **"Company"** means Compleat Software Limited (company number: 03659980);
- 2.1.9 **"Company's Lien"** has the meaning given in article 25.1;
- 2.1.10 **"CTA 2010"** means the Corporation Tax Act 2010;
- 2.1.11 **"Date of Adoption"** means the date on which these articles were

adopted;

- 2.1.12 **"Director(s)"** means a director or directors of the Company from time to time;
- 2.1.13 **"electronic address"** has the same meaning as in section 333 of the Act;
- 2.1.14 **"electronic form"** and **"electronic means"** have the same meaning as in section 1168 of the Act;
- 2.1.15 **"Eligible Director"** means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;
- 2.1.16 **"Employee"** means an individual who is employed by, or who provides consultancy services to, the Company or any member of its Group;
- 2.1.17 **"Employee Share Option Plan(s)"** means the employee share option plan(s) of the Company, the terms of which have been approved by a Shareholder Majority;
- 2.1.18 **"Encumbrance"** means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);
- 2.1.19 **"Expert Valuer"** is as determined in accordance with article 10.2;
- 2.1.20 **"Fair Value"** is as determined in accordance with article 10.3;
- 2.1.21 **"Family Trusts"** means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested

in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;

- 2.1.22 **"Founders "** means Neil Robertson and Philip Raymond Douglas;
- 2.1.23 **"Group"** means, in relation to a Company, its Subsidiaries and any Holding Companies;
- 2.1.24 **"hard copy form"** has the same meaning as in section 1168 of the Act;
- 2.1.25 **"Holding Company"** means a newly formed holding company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company immediately prior to the transfer of the issued share capital of the Company to such holding company;
- 2.1.26 **"Investment Agreement"** means the investment agreement (entitled Subscription and Shareholders Agreement relating to Compleat Software Limited) dated 19th December 2017 between, amongst others, the Company, the Founders and the Investors;
- 2.1.27 **"Investment Fund"** means any person (other than a natural person), company, trust, limited partnership or fund holding shares for investment purposes and not being a member of the Company by virtue of being a Relevant Member;
- 2.1.28 **"Investors"** means those Shareholders (and their Permitted Transferees) defined as Investors in the Investment Agreement;
- 2.1.29 **"Investor Director"** shall have the meaning ascribed to it in the Investment Agreement;
- 2.1.30 **"Investor Majority"** means the consent of those Investors together holding over 75% of the Ordinary Shares held by the Investors;
- 2.1.31 **"Issued Share Capital"** means the entire issued share capital of the

Company from time to time;

- 2.1.32 **"ITEPA"** means Income Tax (Earnings and Pensions) Act 2003;
- 2.1.33 **"Leaver"** means any Employee whose contract of employment or consultancy agreement with the Company or any member of its Group terminates, for any reason, provided that under no circumstances shall either of the Founders, or any of the Investors, or any Investor Director(s) or Matthew Waugh be considered a Leaver;
- 2.1.34 **"Lien Enforcement Notice"** has the meaning given in article 25.3;
- 2.1.35 **"Member of the same Group"** means, as regards any company, a company which is for the time being a Holding Company or a Subsidiary of that company or of any such Holding Company;
- 2.1.36 **"New Securities"** means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in article 6.4);
- 2.1.37 **"Ordinary Shares"** means the ordinary shares of £0.0001 each in the capital of the Company;
- 2.1.38 **"Permitted Transfer"** means a transfer of Shares in accordance with article 8;
- 2.1.39 **"Permitted Transferee"** means a person or entity to whom Shares can be transferred without restriction pursuant to article 8;
- 2.1.40 **"Privileged Relation"** in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue);
- 2.1.41 **"Proposed Purchaser"** means a proposed purchaser who at the relevant time has made an offer on arm's length terms;
- 2.1.42 **"Qualifying Person"** has the meaning given in section 318(3) of the Act;
- 2.1.43 **"Relevant Interest"** has the meaning set out in article 21.4;

- 2.1.44 **"Relevant Member"** means a Shareholder who is a Founder or an Employee of the Company or a Subsidiary of the Company (a "Relevant Executive") and Shareholders who shall have acquired shares directly or indirectly from a Relevant Executive pursuant to one or more Permitted Transfers (including where such shares were subscribed by such Shareholder and that Shareholder would have been entitled to receive a Permitted Transfer from the Relevant Executive) but for the avoidance of doubt does not include any Investors (as defined in the Investment Agreement);
- 2.1.45 **"Relevant Shares"** means the Shares that are subject to a proposed transfer in accordance with article 8;
- 2.1.46 **"Sale Shares"** has the meaning set out in article 9.2.1 of these articles;
- 2.1.47 **"Seller"** has the meaning set out in article 9.2 of these articles;
- 2.1.48 **"Shareholder"** means any holder of any Shares;
- 2.1.49 **"Shareholder Majority"** means the consent of at least three shareholders holding between them at least 75% of the Shares in the Company and also comprising an Investor Majority;
- 2.1.50 **"Shares"** means the Ordinary Shares;
- 2.1.51 **"Share Option Plan"** has the meaning given in the Investment Agreement;
- 2.1.52 **"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking"** have the respective meanings set out in sections 1159 and 1162 of the Act;
- 2.1.53 **"Transfer Notice"** shall have the meaning given in article 9.2;
- 2.1.54 **"Transfer Price"** shall have the meaning given in article 9.2.3;
- 2.1.55 **"Transferee Company"** means a Shareholder which is a company and which proposes to transfer Shares held by it pursuant to these Articles;
- 2.1.56 **"Transferor Company"** means a company which is the proposed transferee of Shares proposed to be transferred pursuant to these

Articles; and

- 2.1.57 "Trustees" in relation to a Shareholder means the trustee or the trustees of a Family Trust.

3 SHARE CAPITAL

- 3.1 In these articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.
- 3.2 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 3.3 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and to these articles, by special resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.
- 3.4 The words 'and the directors may determine' the terms, conditions and manner of redemption of any such shares' shall be deleted from article 22(2) of the Model Articles.
- 3.5 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words 'that the shares are fully paid; and' with the words 'the amount paid up on them; and'.
- 3.6 In article 25(2) of the Model Articles, the words 'payment of a reasonable

fee as the directors decide' in paragraph (c) shall be deleted and replaced by the words 'payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine'.

4 VOTES IN GENERAL MEETING

4.1 The Shares shall confer on each holder of Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

4.2 A resolution put to the vote of the general meeting must be decided on a poll, which shall be taken immediately for each resolution put to the meeting.

5 VARIATION OF RIGHTS

5.1 No voting rights attached to a share which is nil paid may be exercised:

5.1.1 at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or

5.1.2 on any proposed written resolution,

unless all or some of the amounts payable to the Company in respect of that share have been paid.

6 ALLOTMENT OF NEW SHARES OR OTHER SECURITIES: PRE-EMPTION

6.1 Unless otherwise agreed by Shareholder Majority, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all Shareholders on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as may be without involving fractions). The offer:

6.1.1 shall be in writing, give details of the number and subscription price of the New Securities; and

6.1.2 may stipulate that any Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled

shall in their acceptance state the number of excess New Securities ("Excess Securities") for which they wish to subscribe.

6.2 Any New Securities not accepted by Shareholders pursuant to the offer made to them in accordance with article 6.1 shall be used for satisfying any requests for Excess Securities made pursuant to article 6.1 and in the event that there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants on a pro rata basis to the number of Shares held by the applicants immediately prior to the offer made to Shareholders in accordance with article 6.1 (as nearly as may be without involving fractions or increasing the number allotted to any Shareholder beyond that applied for by him) and after that allotment, any Excess Securities remaining shall be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the Shareholders.

6.3 Subject to articles 6.1 and 6.2 and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper, provided that the allotment or grant to that person must be approved in writing by a Shareholder Majority.

6.4 The provisions of articles 6.1 and 6.3 shall not apply to:

6.4.1 options to subscribe for Shares under the Employee Share Option Plan; and

6.4.2 New Securities issued or granted in order for the Company to comply with its obligations under these articles.

6.5 No Shares shall be allotted to any Employee, Director, prospective Employee or prospective director of the Company unless such person has entered into a joint section 431 ITEPA election with the Company.

7 TRANSFERS OF SHARES - GENERAL

7.1 In articles 7 to 12 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to

a Share includes a beneficial or other interest in a Share.

- 7.2 No Share may be transferred unless the transfer is made in accordance with these articles.
- 7.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.
- 7.4 Any transfer of a Share by way of sale which is required to be made under articles 9 to 12 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.
- 7.5 The provisions of this article 7 and article 8 may be disappplied in respect of any proposed transfer with the written consent of the Shareholder Majority.
- 7.6 The Directors may refuse to register a transfer if:
- 7.6.1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
- 7.6.2 the transfer is to an Employee, Director or prospective Employee or prospective director of the Company and such person has not entered in a joint section 431 ITEPA election with the Company;
- 7.6.3 it is a transfer of a Share which is not fully paid:
- 7.6.3.1 to a person of whom the Directors do not approve; or
- 7.6.3.2 on which Share the Company has a lien;
- 7.6.4 the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
- 7.6.5 the transfer is not accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- 7.6.6 the transfer is in respect of more than one class of Shares; or
- 7.6.7 the transfer is in favour of more than four transferees.

If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

7.7 The Directors may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of the Investment Agreement or any other shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this article 7.7 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

7.8 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these articles the Directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:

7.8.1 the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights:

- 7.8.1.1 to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question) provided that such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of an Investor; or
- 7.8.1.2 to receive dividends or other distributions otherwise attaching to those shares or to any further shares issued in respect of those shares; and
- 7.8.2 the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

The rights referred to in 7.8.1 above may be reinstated by the Board and shall in any event be reinstated upon the completion of any transfer referred to in 7.8.1.2 above.

- 7.9 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period. If a Transfer Notice is required to be given or is deemed to have been given under these articles, the Transfer Notice will be treated as having specified that:

- 7.9.1 the Transfer Price for the Sale Shares will be as agreed between the Board (any director with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares;
- 7.9.2 it does not include a Minimum Transfer Condition (as defined in article 9.2.4); and
- 7.9.3 the Seller wishes to transfer all of the Shares held by it.
- 7.10 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of:

7.10.1 the transferor; and

7.10.2 (if any of the shares is partly or nil paid) the transferee.

8 PERMITTED TRANSFERS

8.1 A Shareholder (the "Original Shareholder") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.

8.2 Subject to the provisions of these Articles any Shares (other than any Shares in respect of which the holder shall have been required by the Directors under these Articles to give a Transfer Notice or shall have been deemed to have given a Transfer Notice) may at any time be transferred:

8.2.1 to any person with the prior consent in writing of a Shareholder Majority (which consent may be granted unconditionally or subject to terms or conditions and in the latter case any share so transferred shall be held subject to such terms and conditions notified in writing to the transferee prior to registration of the transfer); or

8.2.2 by any individual Shareholder (not being in relation to the shares concerned a holder thereof as a Trustee of any Family Trusts) to a Privileged Relation of such member; or

8.2.3 by any such individual Shareholder to Trustees to be held upon Family Trusts related to such individual member; or

8.2.4 by any Shareholder being a company (not being in relation to the shares concerned a holder thereof as a trustee of any Family Trusts) to a Member of the same Group as the Transferor Company; or

8.2.5 by any person entitled to shares in consequence of the death or bankruptcy of an individual member to any person or trustee to whom such individual member, if not dead or bankrupt, would be permitted hereunder to transfer the same; or

8.2.6 by any Investment Fund or by its trustee, custodian or nominee:

8.2.6.1 to any trustee, nominee or custodian for any of the Investment Fund and

vice versa;

- 8.2.6.2 upon a solvent reorganisation of the Investment Fund or a general distribution in specie by the Investment Fund to any shareholder, unitholder, limited partner, participant, manager or adviser (or an employee, director, consultant, shareholder or partner of such manager or adviser) in or of the Investment Fund;
- 8.2.6.3 to any other Investment Fund, or its trustee, nominee or custodian, managed or advised by the same manager or adviser (or an employee, director, consultant, shareholder or partner of such manager or adviser) as the relevant Investment Fund;
- 8.2.7 to a trustee, nominee, custodian, Family Trust or Privileged Relation or to a Member of the same Group of any of the persons referred to in articles 8.2.6.1, 8.2.6.2 or 8.2.6.3; or
- 8.2.8 where the Shares to be transferred form part of or are pursuant to any Share Option Plan(s).
- 8.3 Where Shares have been issued to trustees of Family Trusts or transferred under article 8.2 to Trustees of Family Trusts, the Trustees and their successors in office may (subject to the provisions of article 8.2) transfer all or any of the Relevant Shares:
 - 8.3.1 to the Trustees for the time being of the Family Trust concerned on any change of Trustees;
 - 8.3.2 to the Trustees for the time being of any other trusts being Family Trusts in relation to the same individual member or deceased or former member pursuant to the terms of such Family Trusts or to any discretion vested in the trustees thereof or any other person;
 - 8.3.3 as envisaged by any Share Option Plan(s); or
 - 8.3.4 to the Relevant Member or former member or any Privileged Relation of the Relevant Member or deceased or former member who has thereby become entitled to the shares proposed to be transferred on the total or partial termination of or pursuant to the terms of the Family Trusts concerned or in consequence of the exercise of any such power or

discretion as aforesaid.

- 8.4 If and whenever any of the Relevant Shares come to be held otherwise than upon Family Trusts, except in circumstances where a transfer thereof is authorised pursuant to article 8.3 to be and is to be made to the person or persons entitled thereto, it shall be the duty of the trustees holding such shares to notify the Directors in writing that such event has occurred and the trustees shall be bound, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of the shares concerned.
- 8.5 If a person to whom shares have been transferred pursuant to article 8.2.2 shall cease to be a Privileged Relation, such person shall be bound, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of the shares concerned.
- 8.6 If a Transferee Company ceases to be a Member of the same Group as the Transferor Company from which (whether directly or by a series of transfers under article 8.2.4) the Relevant Shares derived, it shall be the duty of the Transferee Company to notify the Directors in writing that such event has occurred and (unless the Relevant Shares are thereupon transferred to the Transferor Company or a Member of the same Group as the Transferor Company, any such transfer being deemed to be authorised under the foregoing provisions of this article) the Transferee Company shall be bound, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of the Relevant Shares.
- 8.7 For the avoidance of doubt, any change in the partners, participants, shareholders, unitholders (or any other interests) in any member which is an Investment Fund shall not be regarded as a transfer of shares or any interest in shares for the purposes of these Articles.

9 TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

- 9.1 Save where the provisions of articles 8 and 12 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this article 9.
- 9.2 A Shareholder who wishes to transfer Shares (a "Seller") shall, except as otherwise provided in these articles, before transferring or agreeing to

transfer any Shares give notice in writing (a "Transfer Notice") to the Company specifying:

- 9.2.1 the number of Shares which he wishes to transfer (the "Sale Shares");
- 9.2.2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;
- 9.2.3 the price (in cash) at which he wishes to transfer the Sale Shares (which subject to Article 11.5 will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board) (the "Transfer Price"); and
- 9.2.4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "Minimum Transfer Condition").
- 9.3 Except with the written consent of a Shareholder Majority, no Transfer Notice once given or deemed to have been given under these articles may be withdrawn.
- 9.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 9.5 As soon as practicable following the later of:
 - 9.5.1 receipt of a Transfer Notice; and
 - 9.5.2 in the case where the Transfer Price has not been specified or the Transfer Notice is deemed to have been served, the determination of the Transfer Price under article 10,the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in articles 9.6 to 9.8. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 9.6 **Priority for offer of Sale Shares**
 - 9.6.1 The Sale Shares shall be offered to the Shareholders on the basis set out in article 9.7.

9.7 Transfers: First Offer

9.7.1 The Board shall offer the Sale Shares to all Shareholders specified in the offer other than the Seller (the "Continuing Shareholders") inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (inclusive) (the "First Offer Period") for the maximum number of Sale Shares they wish to buy.

9.7.2 If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under articles 9.7 and 9.8 will be conditional on the fulfilment of the Minimum Transfer Condition.

9.7.3 If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for Sale Shares but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.

9.7.4 If not all Sale Shares are allocated in accordance with article 9.7.3 but there are applications for Sale Shares that have not been satisfied those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in article 9.7.3.

9.7.5 If, at the end of the First Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance (the "Initial Surplus Shares") will be dealt with in accordance with article 9.8.

9.8 Transfers: Second Offer

9.8.1 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares to all the Continuing Shareholders inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the date of the offer (inclusive) (the "Second Offer

Period") for the maximum number of the Initial Surplus Shares they wish to buy.

9.8.2 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall allocate the remaining Initial Surplus Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Shares bears to the total number of Shares (including Sale Shares) held by those Continuing Shareholders who have applied during the Second Offer Period for Initial Surplus Shares but no allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy.

9.8.3 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications and the balance (the "Second Surplus Shares") will be offered to any other person in accordance with article 9.9.5.

9.9 **Completion of transfer of Sale Shares**

9.9.1 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under articles 9.7 and 9.8 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

9.9.2 If:

9.9.2.1 the Transfer Notice does not include a Minimum Transfer Condition; and

9.9.2.2 allocations have been made in respect of all the Sale Shares,

the Board shall, when no further offers are required to be made under articles 9.7 and 9.8, give written notice of allocation (an "Allocation Notice") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "Applicant") specifying the number of Sale Shares

allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

9.9.3 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.

9.9.4 If the Seller fails to comply with the provisions of article 9.9.3:

9.9.4.1 the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:

- complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
- receive the Transfer Price and give a good discharge for it; and
- (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and

9.9.4.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate or certificates for the Relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate).

9.9.5 If an Allocation Notice does not relate to all the Sale Shares then, subject to article 9.9.6, the Seller may, within eight weeks after service of the Allocation Notice, transfer the Second Surplus Shares to any person at a price at least equal to the Transfer Price provided that the sale of the Second Surplus Shares shall continue to be subject to any Minimum Transfer Conditions.

9.9.6 The right of the Seller to transfer Shares under article 9.9.5 does not apply if the Board is of the opinion on reasonable grounds that:

- 9.9.6.1 the transferee is a person (or a nominee for a person) who the Board determines in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;
- 9.9.6.2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- 9.9.6.3 the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

9.10 **Waiver of restrictions**

- 9.10.1 The restrictions imposed by this article may be waived in relation to any proposed transfer of Shares by the Board acting with the consent of the Shareholder Majority.

10 **VALUATION OF SHARES**

- 10.1 Subject to 10.10, if a Transfer Notice does not specify a Transfer Price or, subject to article 7.9, if a Transfer Notice is deemed to have been served then, upon service of the Transfer Notice or, in the case of the deemed service of a Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to such deemed service, the Board shall either:
 - 10.1.1 appoint expert valuers in accordance with article 10.2 (the "Expert Valuers") to certify the Fair Value of the Sale Shares; or (if the Fair Value has been certified by Expert Valuers within the preceding 12 weeks)
 - 10.1.2 specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.
- 10.2 The Expert Valuers will be either:
 - 10.2.1 the Auditors; or (if so specified in the relevant Transfer Notice)
 - 10.2.2 an independent firm of Chartered Accountants to be agreed between the

Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party.

- 10.3 The "Fair Value" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
 - 10.3.1 valuing the Sale Shares as on an arm's length sale between a willing seller and a willing buyer;
 - 10.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 10.3.3 that the Sale Shares are capable of being transferred without restriction;
 - 10.3.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
 - 10.3.5 reflect any other factors which the Expert Valuers reasonably believe should be taken into account.
- 10.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 10.5 The Expert Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 10.6 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 10.7 The Board will give the Expert Valuers access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose.
- 10.8 The Expert Valuers shall deliver their certificate to the Company. As

soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.

10.9 The cost of obtaining the certificate shall be paid by the Company unless:

10.9.1 the Seller cancels the Company's authority to sell; or

10.9.2 the sale is pursuant to a Transfer Notice which is deemed to have been served, and the Sale Price certified by the Expert Valuers is less than the price (if any) offered by the directors to the Seller for the Sale Share before Expert Valuer was instructed,

in which case the Seller shall bear the cost.

10.10 Notwithstanding any other provision in these Articles, if a Transfer Notice is deemed to be given pursuant to Article 11.5 and the Relevant Member, or the Relevant Executive in relation to the Relevant Member, is a Bad Leaver the transfer price for all the shares comprised in that Transfer Notice shall be the lower of (a) Fair Value and (b) the aggregate amount paid up on such shares.

11 COMPULSORY TRANSFERS - GENERAL

11.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.

11.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:

11.2.1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or

11.2.2 to show to the satisfaction of the Directors that a Permitted Transfer will

be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this article 11.2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

- 11.3 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 11.4 If there is a change in control (as control is defined in section 1124 of the CTA 2010) of any Shareholder which is a company other than an Investment Fund, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice. This article 11.4 shall not apply to a member that is an Investor.
- 11.5 If a Relevant Member, or the Relevant Executive in relation to a Relevant Member becomes a Leaver then, save to the extent that the Directors otherwise determine, such Relevant Member shall be deemed to have given, on the date on which the Relevant Executive became a Leaver (or such other date as the Directors shall specify) a Transfer Notice in respect of all shares held by that Relevant Member and in such circumstances the transfer price for all of the shares comprised in that Transfer Notice shall be the lower of (a) the aggregate amount paid up for such shares and (b) Fair Value.

12 DRAG ALONG

- 12.1 If the holders of 75% of the Shares with the consent of a Shareholder Majority (the "Selling Shareholders") wish to transfer all their interest in Shares (the "Sellers' Shares") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "Drag Along Option") to require all the other holders of Shares (the "Called Shareholders") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this article.
- 12.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "Drag Along Notice") to the Company which the Company shall forthwith copy to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the "Called Shares") under this article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this article) and the proposed date of transfer.
- 12.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 12.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares.
- 12.5 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this article.
- 12.6 Within five Business Days of the Proposed Purchaser serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall

deliver stock transfer forms for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or a suitable indemnity in lieu thereof) to the Company. On the expiration of that five Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to article 12.4 to the extent the Proposed Purchaser has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to article 12.4 shall be a good discharge to the Proposed Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to article 12.4 in trust for the Called Shareholders without any obligation to pay interest.

- 12.7 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, put the Company in funds to pay the amounts due pursuant to article 12.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate (or suitable indemnity) for the Relevant Shares and the Called Shareholders shall have no further rights or obligations under this article 12 in respect of their Shares.
- 12.8 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or suitable indemnity) for its Shares to the Company upon the expiration of that five Business Day period, the Directors shall, if requested by the Proposed Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that five Business Day period, put the Company in funds to pay the amounts due pursuant to article 12.4 for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him pursuant to article 12.4.
- 12.9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly

served shall not be subject to the provisions of article 9.

12.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

12.11 The Company shall not require any Called Shareholder to give warranties or representations (save for customary warranties as to ownership of, and title to, the Shares held by the Called Shareholder and any associated indemnities, for example in relation to a lost share certificate) as part of any transaction with a Proposed Purchaser.

13 CO-SALE RIGHT

13.1 No transfer (other than a Permitted Transfer) of any of the Shares held by either of the Founders or any person who has acquired such shares pursuant to a Permitted Transfer (a "Selling Founder") may be made or validly registered unless the relevant Selling Founder and/or any Permitted Transferee of that Selling Founder shall have observed the following procedures of this article, unless a Shareholder Majority has determined that this article shall not apply to such transfer.

13.2 After the Selling Founder has gone through the pre-emption process set out in these Articles, the Selling Founder shall give to each Shareholder who has not taken up their pre-emptive rights hereunder (an "Equity Holder") not less than 15 Business Days' notice in advance of the proposed sale (a "Co-Sale Notice"). The Co-Sale Notice shall specify:

13.2.1 the identity of the proposed purchaser (the "Buyer");

13.2.2 the price per share which the Buyer is proposing to pay;

- 13.2.3 the manner in which the consideration is to be paid;
- 13.2.4 the number of Shares which the Selling Founder proposes to sell; and
- 13.2.5 the address where the counter-notice should be sent.
- 13.3 Each Equity Holder shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Founder that they wish to sell a certain number of the Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Shares which such Equity Holder wishes to sell. The maximum number of shares which an Equity Holder can sell under this procedure shall be:

$$\left(\frac{X}{Y} \right) \times Z$$

where:

X is the number of Shares held by the Equity Holder;

Y is the Issued Share Capital;

Z is the number of Shares the Selling Founder proposes to sell.

Any Equity Holder who does not send a counter-notice within such five Business Day period shall be deemed to have specified that they wish to sell no shares.

- 13.4 Following the expiry of five Business Days from the date the Equity Holders receive the Co-Sale Notice, the Selling Founder shall be entitled to sell to the Buyer on the terms notified to the Equity Holders a number of shares not exceeding the number specified in the Co-Sale Notice less any shares which Equity Holders have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Equity Holders the number of shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Selling Founder from the Buyer.
- 13.5 No sale by the Selling Founder shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.

- 13.6 Sales made in accordance with this article 13 shall not be subject to the pre-emption process set out in these Articles.

14 GENERAL MEETINGS

- 14.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.

- 14.2 The provisions of section 318 of the Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for the reason referred to in article 41 of the Model Articles, then, provided that the Qualifying Person present holds or represents the holder of at least 25% in nominal value of the Shares, any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.

- 14.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.

- 14.4 A poll must be held immediately in relation to each resolution to be put to the Shareholders.

15 PROXIES

- 15.1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words: 'is signed by or on behalf of the shareholder appointing the proxy and accompanied by any the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)'.

- 15.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may:

15.2.1 be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;

15.2.2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

16 DIRECTORS' BORROWING POWERS

16.1 The Directors may, with the consent of the Shareholder Majority, exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party.

17 ALTERNATE DIRECTORS

17.1 Notwithstanding any provision of these articles to the contrary, any person appointed as a Director (the "Appointor") may appoint any director or any other person as he thinks fit to be his alternate Director to:

17.1.1 exercise that Director's powers; and

17.1.2 carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

The appointment of an alternate Director shall not require approval by a resolution of the Directors.

17.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

- 17.3 The notice must:
- 17.3.1 identify the proposed alternate; and
- 17.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.
- 17.4 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor.
- 17.5 Except as these articles specify otherwise, alternate directors:
- 17.5.1 are deemed for all purposes to be Directors;
- 17.5.2 are liable for their own acts and omissions;
- 17.5.3 are subject to the same restrictions as their Appointors; and
- 17.5.4 are not deemed to be agents of or for their Appointors,
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member.
- 17.6 A person who is an alternate Director but not a Director:
- 17.6.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
- 17.6.2 may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).
- No alternate may be counted as more than one Director for such purposes.
- 17.7 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).

17.8 An alternate Director is not entitled to receive any remuneration from the company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

17.9 An alternate Director's appointment as an alternate shall terminate:

17.9.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

17.9.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;

17.9.3 on the death of the alternate's Appointor; or

17.9.4 when the alternate's Appointor's appointment as a Director terminates.

18 NUMBER OF DIRECTORS

18.1 Unless and until the Company shall otherwise determine by ordinary resolution with the consent of an Investor Majority, the number of Directors shall be not less than two and shall not exceed six Directors. Provided that the total number of Directors does not exceed six, the Board may, without further recourse to or authority from the Shareholders, appoint and remove additional non-executive Directors to and from the Board.

18.2 For so long as they individually hold at least 10% of the Shares, each of the Founders shall be entitled, at his sole discretion to be and remain appointed as a director of the Company by giving notice in writing to the Company.

18.3 For so long as they hold between them at least 10% of the Shares, the Investors (by majority vote between them) shall be entitled, at their sole discretion, to appoint and remove (i) two non-executive directors of the Company and (ii) an observer at Board meetings of the Company, in each case at any time by giving notice in writing to the Company.

18.4 Any observer(s) appointed pursuant to article 18.3 shall have the right to attend and speak at Board meetings, but shall not have the right to vote.

19 DISQUALIFICATION OF DIRECTORS

19.1 In addition to that provided in article 18 of the Model Articles, the office of a Director shall also be vacated if:

19.1.1 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or

19.1.2 in the case of Directors, if a majority of his co-Directors serve notice on him in writing, removing him from office.

20 PROCEEDINGS OF DIRECTORS

20.1 The quorum for Directors' meetings shall be two Directors (and if an Investor Director has been appointed one such Director shall be an Investor Director) except in circumstances where there is a sole director of the Company in which case a quorum shall be one director. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same time and day in the next week. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.

20.2 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.

20.3 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.

- 20.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 20.5 Provided (if these articles so require) that he has declared to the Directors, in accordance with the provisions of these articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 20.6 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall not have a second or casting vote.
- 20.7 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also.

21 DIRECTORS' INTERESTS

Specific interests of a Director:

- 21.1 Subject to the provisions of the Act and provided (if these articles so require) that he has declared to the Directors in accordance with the provisions of these articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:
- 21.1.1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any

existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;

21.1.2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;

21.1.3 where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;

21.1.4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;

21.1.5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;

21.1.6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;

21.1.7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or

21.1.8 any other interest authorised by ordinary resolution.

Interests of which a Director is not aware:

21.2 For the purposes of this article 21, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not

be treated as an interest of his.

Accountability of any benefit and validity of a contract:

- 21.3 In any situation permitted by this article 21 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

Terms and conditions of Board authorisation:

- 21.4 Any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("Interested Director") who has proposed that the Directors authorise his interest ("Relevant Interest") pursuant to that section may, for the avoidance of doubt:
- 21.4.1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:
- 21.4.1.1 restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
- 21.4.1.2 restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
- 21.4.1.3 restricting the application of the provisions in articles 22.5 and 22.6, so far as is permitted by law, in respect of such Interested Director;
- 21.4.1.4 be withdrawn, or varied at any time by the Directors entitled to authorise the relevant situation as they see fit from time to time; and
- an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this article 21.

Director's duty of confidentiality to a person other than the Company:

- 21.5 Subject to article 21.6 (and without prejudice to any equitable principle or

rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this article 21), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

- 21.5.1 to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or
- 21.5.2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.
- 21.6 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, article 21.5 shall apply only if the conflict arises out of a matter which falls within article 21.1 or has been authorised under section 175(5)(a) of the Act.

Additional steps to be taken by a Director to manage a conflict of interest:

- 21.7 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:
 - 21.7.1 absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and
 - 21.7.2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director is to declare an interest:

- 21.8 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by article 21.1 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:
- 21.8.1 falling under article 21.1.7;
- 21.8.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- 21.8.3 if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these articles.

Shareholder approval:

- 21.9 Subject to section 239 of the Act, a Shareholder Majority may ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this article 21.
- 21.10 For the purposes of this article 21:
- 21.10.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- 21.10.2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director;
- 21.10.3 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

22 NOTICES

22.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these articles, or otherwise sent by the Company under the Act, may be given, sent or supplied:

22.1.1 in hard copy form;

22.1.2 in electronic form; or

22.1.3 (by the Company) by means of a website (other than notices calling a meeting of Directors),

or partly by one of these means and partly by another of these means.

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this article 22.

22.2 Notices in hard copy form

22.2.1 Any notice or other document in hard copy form given or supplied under these articles may be delivered or sent by first class post (airmail if overseas):

22.2.1.1 to the Company or any other company at its registered office; or

22.2.1.2 to the address notified to or by the Company for that purpose; or

22.2.1.3 in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or

22.2.1.4 in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or

22.2.1.5 to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or

22.2.1.6 where the Company is the sender, if the Company is unable to obtain an

address falling within one of the addresses referred to in 22.2.1.1 to 22.2.1.5 above, to the intended recipient's last address known to the Company.

22.3 Any notice or other document in hard copy form given or supplied under these articles shall be deemed to have been served and be effective:

22.3.1.1 if delivered, at the time of delivery;

22.3.1.2 if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

22.4 Notices in electronic form

22.4.1 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these articles may:

22.4.1.1 if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;

22.4.1.2 if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under article 22.2.1; or

22.4.1.3 be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:

(a) on its website from time to time; or

(b) by notice (in hard copy or electronic form) to all members of the Company from time to time.

22.4.2 Any notice or other document in electronic form given or supplied under these articles shall be deemed to have been served and be effective:

22.4.2.1 if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;

22.4.2.2 if posted in an electronic form, on receipt or 48 hours after the time it was

posted, whichever occurs first;

22.4.2.3 if delivered in an electronic form, at the time of delivery; and

22.4.2.4 if sent by any other electronic means as referred to in article 22.4.1.3, at the time such delivery is deemed to occur under the Act.

22.4.3 Where the Company is able to show that any notice or other document given or sent under these articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

22.5 Notice by means of a website

22.5.1 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these articles may be given, sent or supplied by the Company by making it available on the Company's website.

22.6 General

22.6.1 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "Primary Holder"). Notice so given shall constitute notice to all the joint holders.

22.6.2 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

23 INDEMNITIES AND INSURANCE

23.1 Subject to the provisions of and so far as may be permitted by, the Act:

23.1.1 Every Director or other officer of the Company (excluding the Auditors) shall be entitled to be indemnified by the Company (and the Company

shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no director of the Company or any associated company is indemnified by the Company against:

- 23.1.1.1 any liability incurred by the director to the Company or any associated company; or
- 23.1.1.2 any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or
- 23.1.1.3 any liability incurred by the director:
 - (a) in defending any criminal proceedings in which he is convicted;
 - (b) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him; or
 - (c) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in the foregoing articles applying;

- 23.1.2 the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated

company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

- 23.2 The Company shall (at the cost of the Company) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company.

24 SECRETARY

- 24.1 Subject to the provisions of the Act, the Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

25 LIEN

- 25.1 The Company shall have a first and paramount lien (the "Company's Lien") over every Share not fully paid for all and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not that indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable.

- 25.2 The Company's Lien over a Share:

- 25.2.1 shall take priority over any third party's interest in that Share; and

- 25.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

The Directors may at any time decide that a Share which is, or would otherwise be, subject to the Company's Lien shall not be subject to it, either wholly or in part.

- 25.3 Subject to the provisions of this article 25, if:

- 25.3.1 a notice complying with article 25.4 (a "Lien Enforcement Notice") has been given by the Company in respect of a Share; and

- 25.3.2 the person to whom the notice was given has failed to comply with it,
the Company shall be entitled to sell that Share in such manner as the Directors decide.
- 25.4 A Lien Enforcement Notice:
- 25.4.1 may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- 25.4.2 must specify the Share concerned;
- 25.4.3 must require payment of the sum payable within 14 days of the notice;
- 25.4.4 must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
- 25.4.5 must state the Company's intention to sell the Share if the notice is not complied with.
- 25.5 Where any Share is sold pursuant to this article 25:
- 25.5.1 the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser; and
- 25.5.2 the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale.
- 25.6 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- 25.6.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;
- 25.6.2 secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificate, and

subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.

25.7 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:

25.7.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

25.7.2 subject to compliance with any other formalities of transfer required by these articles or by law, shall constitute a good title to the Share.

26 CALL NOTICES

26.1 Subject to these articles and the terms on which Shares are allotted, the Directors may send a notice (a "Call Notice") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "Call") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice.

26.2 A Call Notice:

26.2.1 may not require a Shareholder to pay a Call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium);

26.2.2 shall state when and how any Call to which it relates it is to be paid; and

26.2.3 may permit or require the Call to be paid by instalments.

26.3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any Call before 14 days have passed since the notice was sent.

26.4 Before the Company has received any Call due under a Call Notice the Directors may:

26.4.1 revoke it wholly or in part; or

- 26.4.2 specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the Call is made.
- 26.5 Liability to pay a Call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.
- 26.6 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to:
- 26.6.1 pay calls which are not the same; or
- 26.6.2 pay calls at different times.
- 26.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):
- 26.7.1 on allotment;
- 26.7.2 on the occurrence of a particular event; or
- 26.7.3 on a date fixed by or in accordance with the terms of issue.
- 26.8 If the due date for payment of such a sum as referred to in article 26.7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture.
- 26.9 If a person is liable to pay a Call and fails to do so by the Call Payment Date (as defined below):
- 26.9.1 the Directors may issue a notice of intended forfeiture to that person; and
- 26.9.2 until the Call is paid, that person shall be required to pay the Company interest on the Call from the Call Payment Date at the Relevant Rate (as

defined below).

26.10 For the purposes of article 26.9:

26.10.1 the "Call Payment Date" shall be the time when the Call Notice states that a Call is payable, unless the Directors give a notice specifying a later date, in which case the "Call Payment Date" is that later date;

26.10.2 the "Relevant Rate" shall be:

26.10.2.1 the rate fixed by the terms on which the Share in respect of which the Call is due was allotted;

26.10.2.2 such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the Directors; or

26.10.2.3 if no rate is fixed in either of these ways, 5% a year,

provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under part 2 of the Bank of England Act 1998(a).

26.11 The Directors may waive any obligation to pay interest on a Call wholly or in part.

26.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

27 FORFEITURE OF SHARES

27.1 A notice of intended forfeiture:

27.1.1 may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice;

27.1.2 shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;

27.1.3 shall require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not fewer than 14 days after the

- date of the notice;
- 27.1.4 shall state how the payment is to be made; and
- 27.1.5 shall state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited.
- 27.2 If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 27.3 Subject to these articles, the forfeiture of a Share extinguishes:
- 27.3.1 all interests in that Share, and all claims and demands against the Company in respect of it; and
- 27.3.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 27.4 Any Share which is forfeited in accordance with these articles:
- 27.4.1 shall be deemed to have been forfeited when the Directors decide that it is forfeited;
- 27.4.2 shall be deemed to be the property of the Company; and
- 27.4.3 may be sold, re-allotted or otherwise disposed of as the Directors think fit.
- 27.5 If a person's Shares have been forfeited then:
- 27.5.1 the Company shall send that person notice that forfeiture has occurred and record it in the register of members;
- 27.5.2 that person shall cease to be a Shareholder in respect of those Shares;
- 27.5.3 that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;
- 27.5.4 that person shall remain liable to the Company for all sums payable by

that person under the articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and

- 27.5.5 the Directors shall be entitled to waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 27.6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit.
- 27.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.
- 27.8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date:
 - 27.8.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - 27.8.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.
- 27.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 27.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:
 - 27.10.1 was, or would have become, payable; and

27.10.2 had not, when that Share was forfeited, been paid by that person in respect of that Share,

but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds.

28 SURRENDER OF SHARES

28.1 A Shareholder shall be entitled to surrender any Share:

28.1.1 in respect of which the Directors issue a notice of intended forfeiture;

28.1.2 which the Directors forfeit; or

28.1.3 which has been forfeited.

The Directors shall be entitled to accept the surrender of any such Share.

28.2 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.

28.3 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.